U.S. Department of Justice

United States Attorney Eastern District of Virginia

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NEWS RELEASE

FOR IMMEDIATE RELEASE TUESDAY, JUNE 24, 2003

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Norfolk, Virginia — Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that guilty pleas were entered today in U.S. District Court in Norfolk by Thomas Alexander Sheets, age 66, of Norfolk, Virginia, and the company he owns and operates, T. A. Sheets Mechanical General Contractor, Inc. Both Mr. Sheets and his company pleaded to a single-count criminal information charging unlawful removal of country of origin marking.

The charges stem from T. A. Sheets Mechanical General Contractor, Inc.'s performance of a United States Air Force contract to repair the drinking water system at Langley Air Force Base in Hampton, Virginia. The provisions of the \$1,650,000.00 contract required the use of only domestic construction materials pursuant to the Buy American Act and the corresponding Federal Acquisition Regulations, both designed to foster and protect American Industry.

The government's evidence presented at the guilty plea hearing showed that during the performance period of this contract, and at the direction of Thomas Sheets, his company used foreign made materials, particularly pipe fittings, imported from China, Brazil, India and Mexico. The company had ordered these cheaper foreign made pipe fittings from a supplier and had installed them underground in order to conceal this violation of the contract. Company employees, once again at the direction of Thomas Sheets, routinely used a grinder to remove the name of the foreign country of origin stamped on the imported pipe fittings. Employees also spray painted over the name of the foreign country on both the pipe fittings and the containers holding them. The extent of the use of foreign made parts and the deliberate effort to conceal their use by grinding and painting over the names of the foreign countries cannot be determined without extensive excavation and possible water shut offs, which the government has determined to would be impractical and not in the best interest of the project.

United States Magistrate Judge F. Bradford Stillman accepted the plea agreements and imposed sentencing in accordance with the plea agreements. Thomas Alexander Sheets was fined \$100,000, payable within 30 days, and T. A. Sheets Mechanical General Contractor, Inc. was fined of \$150,000, payable within 30 days.

The investigation was conducted by the Defense Criminal Investigative Service, Naval Criminal Investigative Service, and the Air Force Office of Special Investigations. The prosecutor in this case is Assistant United States Attorney Alan M. Salsbury.